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Austria Biotechnology Annual 2005

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Report Highlights:

Austria is one of the leading opponents of agricultural biotechnology within the European Union. Austria has fully implemented EU regulations on biotechnology. However, no single biotech crop is approved by Austria, and three national ordinances still effectively prevent the planting of EU-approved biotech crops. In addition, five of the nine Federal States have passed biotechnology precautionary bills to protect their organic and small-scale agricultural sector. The Austrian Government is working on coexistence guidelines for biotech, conventional, and organic crop production. Responding to consumers' anti-biotech attitudes and NGOs' anti-biotech lobbying, the Austrian retail sector agreed to refrain from stocking or selling biotech foods. Presently only biotech feed (soybean meal) can be found in the Austrian market.

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SECTION I. EXECUTIVE SUMMARY

Austrian politicians, government decision makers, farmer organizations and consumers share the opinion that agricultural biotechnology carries an incalculable risk, does not have benefits, and is not needed. Within the European Union, Austria is one of the leading opponents of agricultural biotechnology.

Austria has fully implemented EU regulations on biotechnology and put in place stricter national laws. Five of the nine Federal States have passed biotechnology precautionary bills to protect their organic and small-scale agricultural sector. Three Austrian ordinances ban the planting of all EU-approved biotech crops.

Responding to consumers' anti-biotech attitudes and NGOs' anti-biotech lobbying, the Austrian retail sector agreed to refrain from stocking or selling biotech foods. Presently only biotech feed (soybean meal) can be found in the Austrian market.

SECTION II. BIOTECHNOLOGY AND PRODUCTION

a) Commercial Production of Biotechnology Crops

Austria does not commercially produce biotech crops.

b) Biotechnology Crops Under Development

There are no biotech crops under development in Austria that will be on the market in the coming year.

c) Imports of Biotechnology Crops/Products

Austria imports on average 550,000 MT of soybean meal for feeding purposes a year. The imports mainly come from Germany and the Netherlands, where soybeans from North and South America are processed. It is estimated that around 60% of the soybean meal is derived from biotech soybeans.

d) Food Aid

Austria is not a food aid recipient and is not likely to be one in the near future.

e) <u>Production of Biotechnology Crops not Developed in the United</u> States

Austria does not produce any biotech crops.

SECTION III. BIOTECHNOLOGY POLICY

a) Regulatory Framework

National Law

Gene Technology Act (Gentechnikgesetz)

As a member of the European Union, Austria has implemented the directives, decisions, regulations and guidelines of the European Union pertaining to LMOs (Living Modified Organisms) through federal laws and ordinances. The Gene Technology Act and its amendments represent the core of Austrian regulations. It regulates the main aspects of biotechnology and genetic engineering: contained use of LMOs, deliberate release of LMOs into the environment, the placing on the market of products that contain LMOs, and the application of biotechnology in human medicine, such as gene analysis and gene therapy.

The Ordinance on Work with LMOs in Contained Use (Systemverordnung)

The Ordinance on Work with LMOs in Contained Use defines the Gene Technology Act in more detail, such as risk assessment, the classification of LMOs, the necessary equipment of laboratories according to classification and scale, qualification of staff, safety aspects, and the measures to be taken in case of accidents.

The Ordinance on Deliberate Release of LMOs into the Environment (Freisetzungsverordnung)

The Ordinance on the Deliberate Release of LMOs into the Environment is also based on the Gene Technology Act and contains the requirements in more detail that have to be considered by applicants for the approval of a deliberate release of a LMO in Austria.

The Ordinance on Public Hearings (Anhörungsverordnung)

The Ordinance on Public Hearings prescribes in more detail the administrative procedures that have to be considered in those cases where the Austrian Gene Technology Act requires a mandatory public hearing. These cases are: applications for deliberate release of LMOs into the environment and contained use of LMOs in higher risk classes and on a large scale.

"Book of Biotechnology" (Gentechnikbuch)

The chapters of the "Book of Biotechnology" are put out by the Advisory Board on Gene Technology and outline the current "state of technology" in the field of biotechnology and genetic engineering and are meant to keep pace with biotech advances. The book has the legal status of an objectified expert opinion. If necessary chapters of the book can be published as an ordinance and thus enter into force like a law.

"Register of products containing LMOs" (Gentechnikregister)

The "Register of products containing LMOs" continuously lists up those products that have been approved under Directive 90/220/EEC following the procedures of Article 13.

Three Ordinances to Ban the Import of Genetically Modified Corn

In three cases, namely the placing on the market of genetically modified corn by two companies, Austria has issued a ban for the import of these products into Austria. The measures were taken in accordance with Article 16 of Directive 90/220/EEC and led to the publication of three ordinances dealing with this subject: Import ban on the genetically modified corn breeding line MON 810 (Verbot des Inverkehrbringens des gentechnisch veränderten Maises Zea Mays L., Linie MON 810), import ban on the genetically modified corn breeding line T25 (Verbot des Inverkehrbringens des gentechnisch veränderten Maises Zea Mays L., Linie T25), and import ban on the genetically modified corn breeding line Bt 176 (Verbot des Inverkehrbringens des gentechnisch veränderten Maises Zea Mays L., Linie Bt 176).

Ordinance on Labeling of Products that Contain LMOs (Gentechnik-Kennzeichnungsverordnung)

The Ordinance on Labeling of products that contain LMOs prescribes the mandatory labeling for products that contain LMOs or consist of mixtures of both modified and non-modified organisms. This regulation does not apply to "novel foods", pharmaceuticals and products that are only destined for contained use or scientific purposes.

Ordinance on Genetically Modified Seed (Saatgut-Gentechnik-Verordnung)

The Ordinance on Genetically Modified Seed prescribes the mandatory labeling for all genetically modified seed varieties covered by Directive 90/220/EEC. Furthermore the ordinance sets up a threshold for accidental contamination of conventional and organic seed with genetically modified seed (0,1% for subsequent controls).

Ordinance on Thresholds of certain Genetically Modified Organisms in Feed (Futtermittel-GVO-Schwellenwert-Verordnung)

The Ordinance on Thresholds of certain Genetically Modified Organisms in Feed sets up a threshold of 1% for accidental or technically unavoidable contamination of feed with certain LMOs.

Ordinance to Limit Emissions in Waste Water Resulting from Work with LMOs (AEV Gentechnik)

Another Ordinance passed by the Minister for Agriculture regulates the limitation for emissions in waste water resulting from work with LMOs in containment.

Ordinance on the Protection of Employees against Hazards caused by Biological Agents (Verordnung biologische Arbeitsstoffe –VbA)

The Ordinance on the Protection of Employees against Hazards caused by Biological Agents prescribes measures to be taken to avoid risks and dangers resulting from work with biological agents such as equipment, hygiene, handling of agents, reduction of exposure, vaccination of employees etc. An annex contains a classification of organisms.

"Codex Alimentarius Austriacus" (Oesterreichisches Lebensmittelbuch)

Soft law: The "Codex Alimentarius Austriacus" contains guidance about the definition of "LMO-free" products. (Codexrichtlinie zur Definition der "Gentechnikfreiheit") This guidance applies for foodstuffs that are labeled as "without use of gene technology".

Federal State Law

In Austria nature conservation, water protection areas, landscape preservation, animal breeding, and fishery are covered by State laws. Several states have amended laws in order to cover the deliberate release of LMOs – both for scientific and for commercial purposes – in conservation areas and for animal breeding and fishery.

Biotechnology Precautionary Bills Already in Five out of Nine States

Nature Conservation:

In principle the State Laws on Nature Conservation lay down a prohibition of the deliberate release of LMOs into nature. Exceptions are made in cases of compliance with the Austrian Gene Technology Act if there are no adverse effects on the balance of nature, on wild animals and plants, and on landscapes in general.

In the five Federal States Carinthia, Salzburg, Burgenland, Lower Austria, and Tirol, Biotechnology Precautionary Bills have already passed State Governments. In Styria and Vienna, Precautionary Bills are in the pipeline. The draft law of Upper Austria was considered not to be in conformity with EU law by the EU Commission. In March 2005 the Upper Austrian Government appealed against this Commission decision at the European Court of Justice. A decision is still pending.

Responsible Government Ministries

Federal Ministry of Health and Women

Responsible for contained use and deliberate release applications from industry and research institutions except universities.

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Federal Ministry of Education, Science and Culture

Responsible for contained use and deliberate release applications from universities.

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Federal Ministry of Agriculture, Forestry, Environment and Water Management/Federal Environment Agency

Gives comments in cases of deliberate release and of placing products on the market.

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Biosafety Committee

Commission for Gene Technology ("Gentechnik-Kommission")

The Commission for Gene Technology is an advisory body consisting of representatives from science, industry, government, NGOs and trade unions. The Commission gives comments on regulations and ordinances, establishes technical guidelines and gives triennial reports to the Parliament. Its scientific subcommittees give advice on actual applications of contained use and deliberate release. The Austrian Gene Technology Act lays down the rules for the installation and work of this commission and its three standing scientific committees.

Task Force on Gene Technology in Agriculture (Arbeitsgruppe Gentechnik in der Landwirtschaft)

The Austrian Ministry of Agriculture initiated the Task Force on Gene Technology in Agriculture with the aim to achieve a coordinated approach for managing the coexistence of biotechnological crops, conventional crops and organically produced crops in all nine Federal States. This task force consists of members of the Ag Ministry, the Health Ministry, representatives of the nine Federal States, the Chambers of Agriculture, and representatives of the organic farmers association.

Political Factors

Austria is well known as one of the strongest opponents of agricultural biotechnology within the European Union. Surveys show that Austrians are more skeptical of biotechnology than the average Europeans. A large discrepancy is found between the acceptance of medical and agricultural applications. Red, or medical, biotechnology is highly accepted whereas applications in agriculture are condemned.

In agriculture, public opinion about biotechnology maintains that it is a hazard for both organic and conventional farming. Austrians, and especially a high percentage of farmers, think that coexistence of biotech crops and conventional crops is impossible in Austria due to the small-scale farm structure.

Austrian politicians, governmental decision makers, farmer organizations and consumers share the opinion that green, or agricultural, biotechnology carries an incalculable risk. Also they do not see any benefits or need for biotech crops in Austria.

Austrian States are taking steps to protect their organic and small-scale conventional agricultural sector by passing biotechnology precautionary bills. In addition to that, tough national regulations on registration, liability and supervision deter farmers and suppliers from employing agricultural biotechnology.

Three Austrian ordinances still effectively ban the planting of all EU-approved biotech crops. The EU Commission has criticized these ordinances for a long time. The voting at a recent (End of June 2005) EU Council meeting did not result in the lift of the bans.

Hardly any food that has to be labeled under the EU Regulations (EC) No 1829/2003 and No 1830/2003 can be found in Austria's supermarkets and grocery stores. Because of the anti-biotech attitude of Austrian consumers more than 90% of the Austrian retail sector agreed to refrain from stocking or selling biotech food.

NGOs and farmer's organizations and the food-processing sector are carrying out antibiotech campaigns where they promote GM-free food.

b) List of Approved Biotechnology Crops

Food, Processing and Feed

No single biotech crop is approved by Austria. National ordinances still effectively prevent the planting of EU-approved biotech crops.

Environment

No approvals.

c) Field Testing of Biotechnology Crops

According to the Gene Technology Act, field-testing of biotech crops is allowed in principle, but it has to be approved by the competent authorities. So far there has been no field-testing of biotech crops in Austria. There are also no applications for field-testing at the moment.

d) Treatment of 'Stacked' Events

Not applicable.

e) <u>Coexistence</u>

The Austrian Government is working on coexistence guidelines for biotechnology, conventional, and organic crop production. The Biotechnology Precautionary Bills of the Federal State stipulate registration or approval of planting of biotech crops. The coexistence guidelines should clarify under which circumstances the planting of a biotech crop can be approved. The guidelines will provide crop specific requirements (e.g. isolation distances to other crops).

Liability

The Biotechnology Act has been tightened by the Austrian Government to make producing biotech crops unattractive. Specifically, the Biotech Act foresees a) comprehensive compliance with the precautionary principle; b) "duty of care" against unintended mingling of biotech and non-biotech crops; c) the introduction of a "biotechnology register" to record dates and places of the release of biotech crops, and most important; d) liability and compensation rules regarding perceived damage from biotech crops neighboring conventional or organic farmers. The Austrian Government considers tough liability rules a necessary measure to facilitate coexistence.

f) Labeling for Packaged Foods or Feeds

According to Regulation (EC) 1829/2003 on genetically modified food and feed and Regulation (EC) 1830/2003 concerning the traceability and labeling of genetically modified organisms and the traceability of food and feed products from genetically modified organisms, all foods and feeds containing more than 0.9% genetically modified organisms have to be labeled as genetically modified.

Enforcement

Official enforcement control is carried out at every stage of production and trade in order to check requirements for biotech products. Producers and traders are required to document products containing GMOs and forward this information to all buyers in the distribution channel. The Austrian Agency for Health and Food Safety (AGES) is in charge of monitoring the implementation of all biotech products. AGES is carrying out about 345 inspections per year throughout Austria to control labeling requirements. Those inspections are mainly done at wholesalers and producers. Inspections include audits of documentation and if products of suspicion (e.g. containing soybean meal originating from a country, where GMO's are produced on a large scale) are found, the product itself is tested. In 2004, two tested products were rejected because of exceeding biotech threshold values (0.9%) according to the Traceability and Labeling Regulations. At the moment only a few samples are tested from supermarket shelves. Imported products are mainly checked through the documentation that has to certify that it is GM-free. The Tracability and Labeling Regulations do not stipulate specific penalties for non-compliance for EU Member States. However, Aritcle 74 of the Austrian Food Law provides a framework for fines up to a maximum penalty of 7,300 Euro for individual violations. In addition approximately 200 seed lots (corn, rapeseed, and soybean) per year are tested for GMO occurrence. The inspections include product analysis, and audits of documentation. Regarding seeds, in 2004 no violations were found. Government officials state, that the number of audited establishments and the number of tested samples will be increased, if an increased number of violations against biotech regulations are found. At the moment, the emphasis of Austrian enforcement is mainly at the documentation level and not on product testing.

g) Biosafety Protocol

Austria signed the Cartagena Protocol on Biosafety on May 24, 2000. It was ratified in August 2002 and entered into force on September 11, 2003.

National Focal Point – Biosafety Clearing House

The Federal Environment Agency acts as the National Focal Point and Biosafety Clearing House in the framework of the Cartagena Protocol on Biosafety.

For the "Intergovernmental Committee for the Cartagena Protocol on Biosafety (ICCP)":

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h) Biotechnology Related Trade Barriers that Hurt U.S. Exports

The main trade barrier to U.S. biotech products is the fact that the Austrian public does not accept biotech crops, food and feed. The Austrian and EU regulatory systems are also trade barriers for agricultural biotech products.

i) Pending Legislation to Affect U.S. Exports

None.

j) Biotechnology in Austria in the context of the EU

See above.

k) 'Technology Fees' for Commercially Planted Biotechnology Crops

Not applicable.

SECTION IV. MARKETING ISSUES

a) Market Acceptance Issues to the Sale of Biotechnology Crops

The average consumer in Austria has a very negative attitude towards crops and food deriving from biotech crops. There is only a market for feed derived from biotech crops.

b) Studies on the Marketing of Biotechnology Products

The EU co-financed study shows that Austrians are still the most opposed consumers against biotech products within the EU.

SECTION V. CAPACITY BUILDING AND OUTREACH

[&]quot;Eurobarometer 2002"

a) <u>USDA-funded Capacity Building or Outreach Activities</u>

Press conferences held by Agricultural Counselor and Attache on biotechnology.

U.S. Speakers on biotechnology at various Austrian Universities and institutions.

Austrian government officials and opinion leaders attended biotech programs of the International Visitor Program and the Voluntary Visitor Program of State Department.

b) Needs or Strategies

SECTION VI. REFERENCE MATERIAL

Gain AU5004

Gain AU4032

Gain AU4017

Gain AU4014

Gain AU4009

Gain AU4006

Gain AU4003

Gain AU4002

Gain AU3016 Gain AU3014

APPENDIX A. TABLE OF APPROVED BIOTECHNOLOGY PRODUCTS

None.